

Issue of loyalty breaks up people's democrats

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Preface

In early January 1999, leader of the People's Democratic Party (PDP) Anatoly Matvienko stated that the party would not support President Leonid Kuchma at the forthcoming presidential elections unless the President took urgent measures to improve the state's socio-economic status and made real steps towards countering corruption. The traditionally pro-presidential party's key demands included creation of conditions for fair competition at high-liquidity markets, primarily the energy market, as well as abolition of authoritarian protectionism for selected businesses in the field of privatization and distribution of benefits.

"We believe that the main problem of today is corruption that accounts for our pitiful condition. And the "shadow politics", born by the "shadow economy" and stimulating it", stressed Mr. Matvienko, adding that "regretfully, years of Kuchma's presidency have become a steady component of Ukraine as a state governed by criminal structures." According to leaders of the "party of power", the President must initiate a single tax amnesty and introduce strict control over revenues of high-ranking officials; he is also required to drop the practice of awarding state decorations to "persons with dubious morals and political reputation". The PDP leaders spoke against "substituting transparent privatization processes with the practice of giving up the state's corporate rights to favorite business structures". In addition, Leonid Kuchma was required to stop any hidden censorship of the media, particularly the electronic ones, and to discontinue the practice of persecution for criticism of state officials. Meanwhile, the President stated clearly that he would not bargain with any political party for supporting him in the elections. (Vechirni Visti, Vikna, 5 January 1999)

The Conflict

While demonstrating loyalty to the President and working hard to ensure his re-election, activists of the People's Democratic Party of Ukraine (PDP) may soon find themselves under new management. Opposing the officially inspired support for nomination of President Leonid Kuchma's as the party's candidate to run for the presidency in October 1999, PDP chairman Anatoly Matvienko is prepared to leave the party and join the emerging bloc of center-right democratic forces.

The simmering contradictions within the party leadership became public when the closed session of the PDP political executive committee decided to support President Kuchma as the party's candidate. The decision was supported by eleven out of seventeen key members of the party, and the disagreement nearly resulted in the dismissal of Anatoly Matvienko from his position of the party chairman.

The conflict escalated after an influential daily, the Den, traditionally supportive of Yevhen Marchuk and edited by his former spokeswoman, reproduced Mr. Matvienko's comments made at the party meeting in Lviv and published by a local newspaper, the Express. While stating that the publication was a "free compilation" of fragments of his speech, Mr. Matvienko said he was not going to try to justify himself or deny his views. Instead, he argued that the current administration's strife for power may backfire, as at some point the democratic wing would no longer tolerate the "political violence" and assault on democracy.

At the end of April the session of the PDP political council voted, in an open poll, 75 to 14 in favor of formally granting support to President Kuchma. Commenting on the outcome, Oleksandr Yemets suggested that it would have been different if the voting had been secret and confidential.

"Democrats" and "Nonenklatura"

The "democratic" wing of the PDP and activists of the New Ukraine, a founding organization of the PDP, were among long-standing backers of Leonid Kuchma who shared his radical economic reform course announced in 1994. As years of Mr. Kuchma's presidency were passing by without bringing tangible results that would indicate successful implementation of campaign pledges, some of the "people's democrats" became disillusioned with declarations and upset with the obvious disrespect for political parties, demonstrated by the President, and the continuing rivalry with the parliament. Moreover, internal contradictions within the PDP between the "nomenklatura" of Prime Minister Valery Pustovoitenko and Minister of the Cabinet of Ministers Anatoly Tolstoukhov and the "democratic" wing represented by PDP chairman Anatoly Matvienko, former leaders of the New Ukraine Volodymyr Filenko and Oleksandr Yemets and leader of the Lviv organization of the PDP Taras Stetskiv became particularly acute when it came to nominating the party's candidate to run for

presidency at the October 1999 election. While it seemed beyond doubt that the PDP, nicknamed the "party of power", would nominate President Kuchma, recent developments showed that, number one, the PDP may have lost its "party of power" title to other successful claimants of the special favor, the United Social Democrats, and number two, some of the leading "people's democrats" do not believe it is wise for the party to encourage the re-election bid of a political leader who proved to be unable to accomplish what he had pledged but managed to secure steady exasperation of ordinary voters with the rapidly declining standards of living and deterioration of the general condition of this state. The "democratic" wing of the PDP argue they are annoyed with crony relations within the President's decision-making circle and the lack of free and fair competition.

According to one of the PDP's "dissidents" Oleksandr Yemets, the problem is rooted in the fact that the state power in Ukraine lacks clear political nature and remains subject to nomenklatura and clan influences of individuals and, hence, bears no political responsibility to voters.

Anatoly Matvienko explains his opposition to President Kuchma's intention to run by concern for the party's and the state's future: "We have already lost the 1999 presidential election, and there is no way for us to help Leonid Kuchma, but the party must think about the 2002 parliamentary election." If the PDP supports the incumbent President, he argues, the party will face the options of becoming a pocket structure of the President's "shadow circle" or being demolished by the public indignation and losing all hopes to perform well in the 2002 parliamentary election. This view is shared by a substantial number of local PDP leaders who suggest a "mild" solution: to refrain from explicit nomination, wait till all candidates are identified and choose the most suitable for the PDP. Matvienko and his first deputy Volodymyr Filenko announced they would resign from their positions and probably leave the party at the forthcoming party congress due in May 1999 officially nominates Kuchma.

A former Comsomol leader who did not have a chance to become sophisticated in the nomenklatura games, Anatoly Matvienko argues that "they [presumably, Prime Minister Pustovoitenko and his partisan subordinates] are trying to transform the party into a supplement to the administrative machine. I want the President to understand: one cannot manage parties, one should reach agreement with them", and claims that the party's ideology cannot be given up even for the sake of friendly relations. "We will follow orders of our voters", he adds, thus, confirming assumptions of those who see the whole dispute as a well-planned beginning of Mr. Matvienko's own rise.

Since the conflict emerged, Prime Minister Valery Pustovoitenko repeatedly stated he would do everything "to preserve the People's Democratic Party and prevent it from uniting with any other force", as, in his view, the party was "one of the strongest, after the CPU [i.e., the Communist party]". While admitting he was "worried" about the PDP's "dissidents", he hopes the pro-presidential party leaders would be able to come to terms with Matvienko. It is in the interests of the "nomenklatura" PDP leadership, primarily Valery Pustovoitenko who is named as the most probable successor to Matvienko as the PDP chairman, to downplay the conflict and refrain from repressions against Matvienko and, thus, making a "national hero" out of the potential pretender for the presidency. So far, nomenklatura structures have demonstrated remarkable "resource of compromise" when the stakes are high.

Anatoly Matvienko has a different opinion about the ways used to "come to terms" with him.

According to Matvienko, his opposition to nomination of President Kuchma as the party's candidate for presidency has been followed with efforts to exert pressure on him and his backers, and the search for "compromat" (like a car accident caused by his son several years ago). In an interview to the "Nezavisimost" on April 10, 1999, he said: "Nobody will intimidate me. Though, I know there is a well-developed scenario of destroying the PDP as a political force. <...> The President's shadow circle is well aware of the fact that if the people's democrats say "no" to Kuchma's candidacy, that will be a great minus. Liquidation of the party is the only way to prevent that outcome. However, regardless anything, I assure you that there will be a strong political party in Ukraine." Although the latter may appear to be wishful thinking, many analysts tend to believe that Matvienko's straightforward efforts to draw a line between himself as the party leader and the PDP's "unequivocal" support for the President, stimulated at local levels by the Prime Minister and other high-ranking officials, already brought him substantial political dividends which he and his new political force will be able to use when/if he runs for presidency in 2004. Anatoly Matvienko is viewed as one of the strongest potential candidates for the 2004 presidential election, able to compete successfully with other potential pretenders: leader of United Socialist Democrats Victor Medvedchuk (who recently impressed journalists with promising to do everything to ensure that his party backs Leonid Kuchma's re-election bid), president of the Ukrainian League of Industrialists and Entrepreneurs and chairman of the parliamentary committee for industrial affairs Anatoly Kinakh, and chairman of the "new" Rukh Yuri Kostenko. However, to protect himself and "his" party, and to earn the image of a devoted opposition force, he may consider running for presidency in the forthcoming election instead of waiting another five years.

Unusual as it is, Mr. Matvienko's protest matters little for the President's election strategy of presenting himself as the only viable alternative to the left forces. Reportedly, a majority of ordinary members and local leaders of the PDP would rather support the candidacy of Yevhen Marchuk. However, even if claims that the majority of People's Democrats' rank-and-file members do not support the nomination of President Kuchma are true, it appears that the party's behavior in the election will be determined by the choice of the leadership (less Matvienko and his supporters). Leonid Kuchma already enjoys keen support of a number of political parties and groups, like the Social Democratic Party of Ukraine (United), the majority of the PDP, the Liberals, the Democratic party under the new leadership of Anna Antonieva and Yulia Tymoshenko's "Fatherland".

Prospects for Ukrainian Democratic Forces

While expectations that a common democratic candidate nominated by the would-be alliance will actually win look unrealistic, advocates of unification of the democratic wing into a strong center-right political party try to look beyond the elections. According to Taras Stetskiv, by means of uniting, center-right and right democratic parties may ensure their survival no matter who wins: Leonid Kuchma or a left candidate, and become a powerful opposition after October 1999. "Otherwise they'll simply finish us all one by one", argues Mr. Stetskiv, and developments in the democratic wing suggest that his pessimism is well-grounded.

The series of split-ups in political parties open a possibility for forming a long-sought coalition of pro-democracy forces that will support a common non-left presidential candidate. Shortly after the disagreements within the PDP leadership went beyond mere internal differences, leader of the "secessionist" part of the Ukrainian People's Movement Rukh Yuri Kostenko announced that his party had agreed to unite forces with Anatoly Matvienko's part of the PDP. According to Kostenko, the parties - which soon may be joined by the Greens, the "Reforms and Order", and remainders of Volodymyr Yavorivsky's Democratic party - negotiate a possibility of forming an alliance and nominating a common candidate - Matvienko, leader of the Party of Reforms and Order Victor Pynzenyk or Kostenko himself. Another option of the election strategy may be to deny President Kuchma their support in the first round and, after he loses, support a non-left candidate in the run-off. The most likely candidates who can count on support of the projective alliance are Yevhen Marchuk or Oleksandr Moroz, or any of them who makes it to the second round notwithstanding who their opponent will be.

Instead of Conclusion

Meanwhile, President Kuchma told the media he was not inclined to "dramatize the situation in the PDP". The recent developments on the "political Olympus" reflect the instability of the situation in Ukraine in general, argues the President, confident that "many politicians look for a soft pillow so that to fall without swellings and bruises in case something happens." If one assumes that "something" means that the President himself is not absolutely sure about his re-election, Anatoly Matvienko may soon claim the title of one of the most far-sighted politicians in Ukraine.